# AMENDED IN SENATE MARCH 28, 2017 AMENDED IN SENATE MARCH 15, 2017 AMENDED IN SENATE FEBRUARY 23, 2017

SENATE BILL No. 5

### Introduced by Senator De León (Coauthors: Senators Atkins, Dodd, Hueso, and Skinner)

December 5, 2016

An act to add Division 45 (commencing with Section 80000) to the Public Resources Code, relating to a drought, water, parks, climate, coastal protection, and outdoor access for all program, by providing the funds necessary therefor through an election for the issuance and sale of bonds of the State of California and for the handling and disposition of those funds, and declaring the urgency thereof, to take effect immediately.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 5, as amended, De León. California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018. Under existing law, programs have been established pursuant to bond

acts for, among other things, the development and enhancement of state and local parks and recreational facilities.

This bill would enact the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in an amount of \$3,000,000,000 pursuant to the State General Obligation Bond Law to finance a drought, water, parks, climate, coastal protection, and outdoor access for all program.

 $SB 5 \qquad \qquad -2-$ 

The bill would provide for the submission of these provisions to the voters at the June 5, 2018, statewide primary direct election.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: <sup>2</sup>/<sub>3</sub>. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Division 45 (commencing with Section 80000) is added to the Public Resources Code, to read:

## DIVISION 45. CALIFORNIA DROUGHT, WATER, PARKS, CLIMATE, COASTAL PROTECTION, AND OUTDOOR ACCESS FOR ALL ACT OF 2018

#### CHAPTER 1. GENERAL PROVISIONS

- 80000. This division shall be known, and may be cited, as the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018.
- 80001. (a) The people of California find and declare all of the following:
- (1) From California's beautiful rivers, streams, coastal shorelines, and other waterways, to our federal, state, local, and regional parks and outdoor settings, to our vast network of trails connecting people with natural landscapes, Californians value the rich diversity of outdoor experiences afforded to this state and its citizens.
- (2) Demand for local parks has exceeded available funding by a factor of 8 to 1, with particularly high demand in urban, disadvantaged communities.
- (3) Many Californians across the state lack access to safe parks, trails, and recreation areas, which limits their ability to experience the outdoors, improve their physical and emotional health, exercise, and connect with their communities.
- (4) Investments to create and improve parks and recreation areas, and to create trail networks that provide access from neighborhoods to parks and recreational opportunities, will help

-3-**SB 5** 

ensure all Californians have access to safe places to exercise and enjoy recreational activities.

- (5) The California Center for Public Health Advocacy estimates that inactivity and obesity cost California over forty billion dollars (\$40,000,000,000) annually, through increased health care costs and lost productivity due to obesity-related illnesses, and that even modest increases in physical activity would result in significant savings. Investments in infrastructure improvements such as biking and walking trails and pathways, whether in urban or natural areas, are cost-effective ways to promote physical activity.
- (6) Continued investments in the state's parks, trails, and natural resources, and greening urban areas will help mitigate the effects of climate change, making cities more livable, and will protect California's natural resources for future generations.
- (7) California's outdoor recreation economy represents an eighty-seven-billion-dollar (\$87,000,000,000) industry, providing over 700,000 jobs and billions of dollars in local and state revenues.
- (8) California's state, local, and regional park system infrastructure and national park system infrastructure are aging, and a significant infusion of capital is required to protect this investment.
- (9) There has been a historic underinvestment in parks, trails, and outdoor infrastructure in disadvantaged areas and many communities throughout California.
- (10) Tourism is a growing industry in California and remains an economic driver for the more rural parts of the state.
- (b) It is the intent of the people of California that all of the following shall occur in the implementation of this division:
- (1) The investment of public funds pursuant to this division will result in public benefits that address the most critical statewide needs and priorities for public funding.
- (2) In the appropriation and expenditure of funding authorized by this division, priority will be given to projects that leverage private, federal, or local funding or produce the greatest public benefit.
- (3) To the extent practicable, a project that receives moneys pursuant to this division will include signage informing the public that the project received funds from the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018.

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 $SB 5 \qquad -4-$ 

 (4) To the extent practicable, when developing program guidelines for urban recreation projects and habitat protection or restoration projects, administering entities are encouraged to give favorable consideration to projects that provide urban recreation and protect or restore natural resources. Additionally, the entities may pool funding for these projects.

- (5) To the extent practicable, a project that receives moneys pursuant to this division will provide workforce education and training, contractor, and job opportunities for disadvantaged communities.
- 80002. As used in this division, the following terms have the following meanings:
- (a) "Committee" means the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Finance Committee created by Section 80162.
- (b) "Community access" means engagement programs, technical assistance, or facilities that maximize safe and equitable physical admittance, especially for low-income communities, to natural or cultural resources, community education, or recreational amenities.
- (c) "Conservation actions on private lands" means projects with willing landowners that involve the adaptive flexible management or protection of natural resources in response to changing conditions and threats to habitat and wildlife. The actions may include the acquisition of conservation interests or fee interests in the land. These projects result in habitat conditions on private lands that, when managed dynamically over time, contribute to the long-term health and resiliency of vital ecosystems and enhance wildlife populations.
- 29 (d) "Department" means the Department of Parks and 30 Recreation.
  - (e) "Disadvantaged community" has the same meaning as set forth in subdivision (g) of Section 75005.
  - (f) "Fund" means the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Fund, created by Section 80032.
  - (g) "Heavily urbanized city" means a city with a population of 300,000 or more.
- 38 (h) "Heavily urbanized county" means a county with a 39 population of 3,000,000 or more.

\_5\_ SB 5

(i) "Interpretation" includes, but is not limited to, a visitor-serving amenity that enhances the ability to understand and appreciate the significance and value of natural, historical, and cultural resources and that may utilize educational materials in multiple languages, digital information, and the expertise of a naturalist or other skilled specialist.

- (j) "Nonprofit organization" means a nonprofit corporation qualified to do business in California and qualified under Section 501(c)(3) of the Internal Revenue Code.
- (k) "Preservation" means rehabilitation, stabilization, restoration, conservation, development, and reconstruction, or any combination of those activities.
- (*l*) "Protection" means those actions necessary to prevent harm or damage to persons, property, or natural, cultural, and historic resources, actions to improve access to public open-space areas, or actions to allow the continued use and enjoyment of property or natural, cultural, and historic resources, and includes site monitoring, acquisition, development, restoration, preservation, and interpretation.
- (m) "Restoration" means the improvement of physical structures or facilities and, in the case of natural systems and landscape features, includes, but is not limited to, projects for the control of erosion, the control and elimination of exotic species, the planting of native species, the removal of waste and debris, prescribed burning, fuel hazard reduction, fencing out threats to existing or restored natural resources, road elimination, and other plant and wildlife habitat improvement to increase the natural system value of the property. Restoration projects shall include the planning, monitoring, and reporting necessary to ensure successful implementation of the project objectives.
- (n) "Severely disadvantaged community" means a community with a median household income less than 60 percent of the statewide average.
- 80004. An amount that equals not more than 5 percent of the funds allocated for a grant program pursuant to this division may be used to pay the administrative costs of that program.
- 80006. (a) Except as provided in subdivision (b), up to 10 percent of funds allocated for each program funded by this division may be expended for planning and monitoring necessary for the successful design, selection, and implementation of the projects

SB5 -6-

authorized under that program. This section shall not otherwise restrict funds ordinarily used by an agency for "preliminary plans," "working drawings," and "construction" as defined in the annual Budget Act for a capital outlay project or grant project. Planning may include feasibility studies for environmental site cleanup that would further the purpose of a project that is eligible for funding under this division.

- (b) Funds used for planning projects that benefit disadvantaged communities may exceed 10 percent of the funds allocated if the state agency administering the moneys determines that there is a need for the additional funding.
- 80008. (a) (1) Except as provided in paragraph (2), at least 20 percent of the funds available pursuant to each chapter of this division shall be allocated for projects serving severely disadvantaged communities.
- (2) At least 15 percent of the funds available pursuant to Chapter 9 (commencing with Section 80120) and Chapter 10 (commencing with Section 80130) shall be allocated for projects serving severely disadvantaged communities.
- (b) (1) Except as provided in subdivision (c), up to 10 percent of the funds available pursuant to each chapter of this division may be allocated for technical assistance to disadvantaged communities. The agency administering the moneys shall operate a multidisciplinary technical assistance program for disadvantaged communities.
- (2) Funds used for providing technical assistance to disadvantaged communities may exceed 10 percent of the funds allocated if the state agency administering the moneys determines that there is a need for the additional funding.
- (c) (1) Up to 5 percent of funds available pursuant to each chapter of this division shall be allocated for community access projects that include, but are not limited to, the following:
- 33 (A) Transportation.
- 34 (B) Physical activity programming.
- 35 (C) Resource interpretation.
- 36 (D) Multilingual translation.
- 37 (E) Natural science.
- 38 (F) Workforce development and career pathways.
- 39 (G) Education.

\_7\_ SB 5

(H) Communication related to water, parks, climate, coastal protection, and other outdoor pursuits.

- (2) This subdivision does not apply to Chapter 12 (commencing with Section 80150).
- 80010. Before disbursing grants pursuant to this division, each state agency that receives funding to administer a competitive grant program under this division shall do the following:
- (a) (1) Develop and adopt project solicitation and evaluation guidelines. The guidelines shall include monitoring and reporting requirements and may include a limitation on the dollar amount of grants to be awarded. If the state agency has previously developed and adopted project solicitation and evaluation guidelines that comply with the requirements of this subdivision, it may use those guidelines.
- (2) Guidelines adopted pursuant to this subdivision shall encourage, where feasible, inclusion of the following project components:
  - (A) Efficient use and conservation of water supplies.
  - (B) Use of recycled water.

- (C) The capture of stormwater to reduce stormwater runoff, reduce water pollution, or recharge groundwater supplies, or a combination thereof.
- (D) Provision of safe and reliable drinking water supplies to park and open-space visitors.
- (b) Conduct three public meetings to consider public comments before finalizing the guidelines. The state agency shall publish the draft solicitation and evaluation guidelines on its Internet Web site at least 30 days before the public meetings. One meeting shall be conducted at a location in northern California, one meeting shall be conducted at a location in the central valley of California, and one meeting shall be conducted at a location in southern California.
- (c) Submit the guidelines to the Secretary of the Natural Resources Agency. The Secretary of the Natural Resources Agency shall verify that the guidelines are consistent with applicable statutes and for all the purposes enumerated in this division. The Secretary of the Natural Resources Agency shall post an electronic form of the guidelines submitted by state agencies and the subsequent verifications on the Natural Resources Agency's Internet Web site.

SB5 -8-

(d) Upon adoption, transmit copies of the guidelines to the fiscal committees and the appropriate policy committees of the Legislature.

- 80012. (a) The Department of Finance shall provide for an independent audit of expenditures pursuant to this division. The Secretary of the Natural Resources Agency shall publish a list of all program and project expenditures pursuant to this division not less than annually, in written form, and shall post an electronic form of the list on the agency's Internet Web site in a downloadable spreadsheet format. The spreadsheet shall include information about the location and footprint of each funded project, the project's objectives, the status of the project, anticipated outcomes, any matching moneys provided for the project by the grant recipient, and the applicable chapter of this division pursuant to which the grant recipient received moneys.
- (b) If an audit, required by statute, of any entity that receives funding authorized by this division is conducted pursuant to state law and reveals any impropriety, the California State Auditor or the Controller may conduct a full audit of any or all of the activities of that entity.
- (c) The state agency issuing any grant with funding authorized by this division shall require adequate reporting of the expenditures of the funding from the grant.
- 80014. If any moneys allocated pursuant to this division are not encumbered or expended by the recipient entity within the time period specified by the administering agency, the unexpended moneys shall revert to the administering agency for allocation consistent with the applicable chapter.
- 80016. To the extent feasible, a project whose application includes the use of services of the California Conservation Corps, certified community conservation corps, as defined in Section 14507.5, or other nonprofit entities that provide job training and education opportunities for veterans, foster care recipients, farmworkers, or local youth in conservation or restoration projects shall be given preference for receipt of a grant under this division.
- 80018. To the extent feasible, a project that includes water efficiencies, stormwater capture, or carbon sequestration features in the project design may be given priority for grant funding under this division.

-9- SB 5

80020. Moneys allocated pursuant to this division shall not be used to fulfill any mitigation requirements imposed by law.

- 80022. (a) To the extent feasible in implementing this division and except as provided in subdivision (b), a state agency receiving funding under this division shall seek to achieve wildlife conservation objectives through projects on public lands or voluntary projects on private lands. Private lands that provide permanent protections to ensure the durability of investments shall be given priority. Funds may be used for payments for the creation of measurable habitat improvements or other improvements to the condition of endangered or threatened species, including through the development and implementation of habitat credit exchanges.
- (b) This section shall not apply to Chapter 2 (commencing with Section 80050), Chapter 3 (commencing with Section 80060), Chapter 5 (commencing with Section 80080), Chapter 6 (commencing with Section 80090), Chapter 11 (commencing with Section 80140), Chapter 11.5 (commencing with Section 80145), or Chapter 12 (commencing with Section 80150).
- 80024. A state agency that receives funding to administer a grant program under this division shall report to the Legislature by January 1, 2027, on its expenditures pursuant to this division and the public benefits received from those expenditures.
- 80026. A state conservancy receiving funding pursuant to this division shall endeavor to allocate funds that are complementary, but not duplicative, of authorized expenditures made pursuant to Chapter 188 of the Statutes of 2014.
- 80028. Funding pursuant to this division may be used for grants and loans to nonprofit organizations to repay financing described in Section 22064 of the Financial Code for projects that are consistent with the purposes of this division.
- 80030. For grants awarded for projects that serve a disadvantaged community, the administering entity shall provide advanced payments in the amount of 25 percent of the grant award to the recipient to initiate the project in a timely manner. The administering entity may adopt additional requirements for the recipient of the grant regarding the use of the advanced payments to ensure that the moneys are used properly.
- 80032. (a) The proceeds of bonds issued and sold pursuant to this division shall be deposited in the California Drought, Water,

SB 5 —10—

Parks, Climate, Coastal Protection, and Outdoor Access For All Fund, which is hereby created in the State Treasury.

- (b) Proceeds of bonds issued and sold pursuant to this division shall be allocated according to the following schedule:
- (1) One billion five hundred million dollars (\$1,500,000,000) for purposes of Chapter 2 (commencing with Section 80050), Chapter 3 (commencing with Section 80060), Chapter 4 (commencing with Section 80080), Chapter 6 (commencing with Section 80080), Chapter 6 (commencing with Section 80100), Chapter 7 (commencing with Section 80100), Chapter 8 (commencing with Section 80120), and Chapter 10 (commencing with Section 80130).
- (2) One billion dollars (\$1,000,000,000) for Chapter 11 (commencing with Section 80140).
- (3) Five hundred million dollars (\$500,000,000) for Chapter 11.5 (commencing with Section 80145).

80034. The Legislature may enact legislation necessary to implement programs funded by this division.

Chapter 2. Investments in Environmental and Social Equity, Enhancing California's Disadvantaged Communities

- 80050. (a) The sum of six hundred million dollars (\$600,000,000) shall be available to the department, upon appropriation by the Legislature, for the creation and expansion of safe neighborhood parks in park-poor neighborhoods in accordance with the Statewide Park Development and Community Revitalization Act of 2008's competitive grant program described in Chapter 3.3 (commencing with Section 5640) of Division 5.
- (b) When developing or revising criteria or guidelines for the grant program, the department may give additional consideration to projects that incorporate stormwater capture and storage or otherwise reduce stormwater pollution. The department shall perform its due diligence by conducting a rigorous prequalification process to determine the fiscal and operational capacity and ability of a potential grant recipient to do both of the following:
  - (1) Manage a project to maximize public benefit in perpetuity.
  - (2) Implement the project in a timely manner.

-11- SB 5

80051. Of the amount available pursuant to subdivision (a) of Section 80050, not less than 20 percent shall be available for the rehabilitation, repurposing, or substantial improvement of existing park infrastructure in communities of the state that will lead to increased use and enhanced user experiences.

80052. Of the amount available pursuant to subdivision (a) of Section 80050, to correct historic underinvestments in the central valley, Inland Empire, gateway, and desert communities, the sum of forty-eight million dollars (\$48,000,000) shall be available for local park creation and improvement grants to the communities identified by the department as park deficient within those areas for active recreational projects, including aquatic centers, to encourage youth health, fitness, and recreational pursuits. Projects that include the partial or full donation of land, materials, or volunteer services and that demonstrate collaborations of multiple entities and the leveraging of scarce resources may be given consideration. Entities that receive a grant under this section may also be eligible to receive other grants under subdivision (a) of Section 80050.

### Chapter 3. Investments in Protecting, Enhancing, and Accessing California's Local and Regional Outdoor Spaces

80060. For purposes of this chapter, "district" means any regional park district, regional park and open-space district, or regional open-space district formed pursuant to Article 3 (commencing with Section 5500) of Chapter 3 of Division 5, any recreation and park district formed pursuant to Chapter 4 (commencing with Section 5780) of Division 5, or any authority formed pursuant to Division 26 (commencing with Section 35100). With respect to any community or unincorporated region that is not included within a district, and in which no city or county provides parks or recreational areas or facilities, "district" also means any other entity, including, but not limited to, a district operating multiple-use parklands pursuant to Division 20 (commencing with Section 71000) of the Water Code, that is authorized by statute to operate and manage parks or recreational areas or facilities, employs a full-time park and recreation director, offers year-round park and recreation services on land and facilities

**SB 5 — 12 —** 

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owned by the entity, and allocates a substantial portion of its annual 2 operating budget to parks or recreation areas or facilities.

80061. (a) The sum of fifteen million dollars (\$15,000,000) shall be available to the department, upon appropriation by the Legislature, for local park rehabilitation and improvement grants to local governments on a per capita basis. Grant recipients shall be encouraged to utilize awards to rehabilitate existing infrastructure and to address deficiencies in neighborhoods lacking access to the outdoors.

- (b) The sum of fifteen million dollars (\$15,000,000) shall be available to the department, upon appropriation by the Legislature, for grants to cities and districts in urbanized counties providing park and recreation services within jurisdictions of 200,000 or less in population. For purposes of this subdivision, "urbanized county" means a county with a population of 500,000 or more. An entity eligible to receive funds under this subdivision shall also be eligible to receive funds available under subdivision (a).
- (c) Unless the entity has been identified as a disadvantaged community, an entity that receives an award pursuant to this section shall be required to provide a match of 20 percent as a local share.
- 80062. (a) (1) The department shall allocate 60 percent of the funds available pursuant to each of subdivisions (a) and (b) of Section 80061 to cities and districts, other than a regional park district, regional park and open-space district, open-space authority, or regional open-space district. Each city's and district's allocation shall be in the same ratio as the city's or district's population is to the combined total of the state's population that is included in incorporated and unincorporated areas within the county, except that each city or district shall be entitled to a minimum allocation \_ dollars (\$\_ \_\_). If the boundary of a city overlaps the boundary of a district, the population in the overlapping area shall be attributed to each jurisdiction in proportion to the extent to which each operates and manages parks and recreational areas and facilities for that population. If the boundary of a city overlaps the boundary of a district, and in the area of overlap the city does not operate and manage parks and recreational areas and facilities, all grant funds for that area shall be allocated to the district.
- (2) On or before April 1, 2020, a city and a district that are subject to paragraph (1), and whose boundaries overlap, shall collaboratively develop and submit to the department a specific

-13- SB 5

plan for allocating the grant funds in accordance with the formula specified in paragraph (1). If, by that date, the plan has not been developed and submitted to the department, the director shall determine the allocation of the grant funds between the affected jurisdictions.

- (b) (1) The department shall allocate 40 percent of the funds available pursuant to each of subdivisions (a) and (b) of Section 80061 to counties and regional park districts, regional park and open-space districts, open-space authorities formed pursuant to Division 26 (commencing with Section 35100), and regional open-space districts formed pursuant to Article 3 (commencing with Section 5500) of Chapter 3 of Division 5.
- (2) Each county's allocation under paragraph (1) shall be in the same ratio that the county's population is to the total state population, except that each county shall be entitled to a minimum allocation of \_\_\_\_\_ dollars (\$\_\_\_\_).
- (3) In any county that embraces all or part of the territory of a regional park district, regional park and open-space district, open-space authority, or regional open-space district, and whose board of directors is not the county board of supervisors, the amount allocated to the county shall be apportioned between that district and the county in proportion to the population of the county that is included within the territory of the district and the population of the county that is outside the territory of the district.
- (c) For the purpose of making the calculations required by this section, population shall be determined by the department, in cooperation with the Department of Finance, on the basis of the most recent verifiable census data and other verifiable population data that the department may require to be furnished by the applicant city, county, or district.
- (d) The Legislature intends all recipients of funds pursuant to subdivision (a) or (b) of Section 80061 to use those funds to supplement local revenues in existence on the effective date of the act adding this division. To receive an allocation pursuant to subdivision (a) or (b) of Section 80061, the recipient shall not reduce the amount of funding otherwise available to be spent on parks or other projects eligible for funds under this division in its jurisdiction. A one-time allocation of other funding that has been expended for parks or other projects, but which is not available on an ongoing basis, shall not be considered when calculating a

SB 5 —14—

recipient's annual expenditures. For purposes of this subdivision, the Controller may request fiscal data from recipients for the preceding three fiscal years. Each recipient shall furnish the data to the Controller no later than 120 days after receiving the request from the Controller.

- 80063. (a) The director of the department shall prepare and adopt criteria and procedures for evaluating applications for grants allocated pursuant to subdivision (a) or (b) of Section 80061. The application shall be accompanied by certification that the project is consistent with the park and recreation element of the applicable city or county general plan or the district park recreation plan, as the case may be.
- (b) To utilize available grant funds as effectively as possible, overlapping and adjoining jurisdictions and applicants with similar objectives are encouraged to combine projects and submit a joint application. A recipient may allocate all or a portion of its per capita share for a regional or state project.
- 80064. (a) The director of the department shall annually forward a statement of the total amount to be appropriated each fiscal year for projects approved for grants pursuant to this chapter to the Director of Finance for inclusion in the annual Budget Act. A list of eligible jurisdictions and the amount of grant funds to be allocated to each jurisdiction shall also be made available by the department.
- (b) Funds appropriated pursuant to this chapter shall be encumbered by the recipient within three years from the date the appropriation is effective. Regardless of the date of encumbrance of the granted funds, the recipient is expected to complete all funded projects within eight years of the effective date of the appropriation.

### Chapter 4. Restoring California's Natural, Historic, and Cultural Legacy

80070. The sum of one hundred million dollars (\$100,000,000) shall be available to the department, upon appropriation by the Legislature, for restoration and preservation of existing state park facilities and units, to promote greater access to those units through the provision of low-cost overnight accommodations in ways that enhance access and recreational opportunities for disadvantaged

\_\_15 \_\_ SB 5

communities, to preserve and increase public access to those facilities and units, and to protect the natural, cultural, and historic resources of those facilities and units. First priority shall be given for capital improvements that address the department's backlog of deferred maintenance.

80071. The department, in expending the funding available under this chapter, shall endeavor, where practical, to partner with cities, counties, nonprofit organizations, and nongovernmental organizations to maximize leveraging opportunities to enhance tourism, visitation, and visitor experiences.

80072. Of the amount made available pursuant to Section 80070,\_\_\_\_ dollars (\$\_\_\_\_) shall be available for enterprise projects that facilitate new or enhanced park use and user experiences and increase revenue generation to support operations of the department.

80073. (a) Of the amount made available pursuant to Section 80070, \_\_\_\_ dollars (\$\_\_\_\_) shall be available for grants to local agencies that operate a unit of the state park system to address urgent need for the restoration of aging infrastructure.

(b) For the purpose of awarding a grant under this section, a local cost share of not less than 25 percent of the total costs of the project shall be required. The cost-sharing requirement may be waived or reduced for a disadvantaged community.

#### CHAPTER 5. TRAILS AND GREENWAY INVESTMENT

80080. (a) The sum of twenty-five million dollars (\$25,000,000) shall be available to the Natural Resources Agency, working in cooperation with the department, upon appropriation by the Legislature, for competitive grants to local agencies, state conservancies, federally recognized Native American tribes, nonfederally recognized California Native American tribes listed on the California Tribal Consultation List maintained by the Native American Heritage Commission, and nonprofit organizations to nonmotorized infrastructure provide development enhancements that promote new or alternate access to parks, waterways, outdoor recreational pursuits, and forested or other natural environments to encourage health-related commuting and opportunities for Californians to reconnect with nature.

 $SB 5 \qquad -16-$ 

(b) Of the amount made available pursuant to this section, up to 25 percent may be made available to communities for innovative transportation programs that provide new and expanded outdoor experiences to disadvantaged youth.

- (c) Alignment, development, and improvement of nonmotorized infrastructure and trails that lead to safer interconnectivity among parks, waterways, and natural areas may be encouraged.
- (d) The Natural Resources Agency is encouraged, when designing guidelines for grants awarded under this chapter, to utilize existing program guidelines, including, if applicable, guidelines that have been established for the California Recreational Trails Act (Article 6 (commencing with Section 5070) of Chapter 1 of Division 5) and, to the extent possible, to design guidelines that are consistent with the California Recreational Trails Plan, as described in Article 6 (commencing with Section 5070) of Chapter 1 of Division 5.

80081. Unless the entity has been identified as a disadvantaged community, an entity that receives an award under this chapter shall be required to provide a match of 20 percent.

### Chapter 6. Rural Recreation, Tourism, and Economic Enrichment Investment

80090. (a) The sum of twenty million dollars (\$20,000,000) shall be available to the department, upon appropriation by the Legislature, to administer a competitive grant program for cities, counties, and districts in nonurbanized areas, that are eligible for a grant under the Roberti-Z'berg-Harris Urban Open-Space and Recreation Program Act (Chapter 3.2 (commencing with Section 5620) of Division 5). Notwithstanding subdivisions (c) and (e) of Section 5621 and for the purposes of this section, the definition of "nonurbanized area" shall be updated by the department to reflect current population levels. A nonurbanized area shall include counties with populations of less than 500,000 people and low population densities per square mile, as determined by the department. In awarding the grants, the department may consider the following factors:

(1) Whether the project would provide new recreational opportunities in rural communities that have demonstrated

\_\_17 \_\_ SB 5

deficiencies and lack of outdoor infrastructure in support of economic and health-related goals.

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- (2) Whether the project proposes to acquire and develop lands to enhance residential recreation while promoting the quality of tourism experiences and the economic vitality of the community. These enhancements may include accessibility for individuals with disabilities, trails, bikeways, regional or destination-oriented recreational amenities, and visitor centers.
- (3) Whether the project includes collaboration between public and nonprofit organizations, including, but not limited to, nonprofit land trusts, to facilitate public access to privately owned lands for regional trail development for wildlife viewing, recreation, or outdoor experiences for youth.
- (b) Unless the entity has been identified as a disadvantaged community, an entity that receives an award under this chapter shall be required to provide a match of 20 percent.

### Chapter 7. California River Recreation, Creek, and Waterway Improvements Program

80100. (a) The sum of one hundred twenty-five million dollars (\$125,000,000) shall be available to the Natural Resources Agency, upon appropriation by the Legislature, for grants pursuant to the California River Parkways Act of 2004 (Chapter 3.8 (commencing with Section 5750) of Division 5) and the Urban Streams Restoration Program pursuant to Section 7048 of the Water Code. Eligible projects shall include, but are not limited to, projects that protect and enhance urban creeks.

- (1) Of the amount made available pursuant to this subdivision, not less than seventy-five million dollars (\$75,000,000) shall be available to the Santa Monica Mountains Conservancy.
- (2) Of the amount made available pursuant to this subdivision, not less than 5 percent shall be available to the Santa Ana River Conservancy Program pursuant to Chapter 4.6 (commencing with Section 31170) of Division 21.
- (3) Of the amount made available pursuant to this subdivision, \_\_\_\_\_ dollars (\$\_\_\_\_\_) shall be available to the Lower American River Conservancy Program pursuant to Chapter 10.5 (commencing with Section 5845) of Division 5.

SB 5 —18—

(4) Of the amount made available pursuant to this subdivision, \_\_\_\_\_ dollars (\$\_\_\_\_\_) shall be available to the Guadalupe River upon the enactment of subsequent legislation that demonstrates a comprehensive local and regional approach to restoration, public recreation, and management of the river corridor.

- (5) Of the amount made available pursuant to this subdivision, \_\_\_\_\_ dollars (\$\_\_\_\_\_) shall be available to the Russian River upon the enactment of subsequent legislation that provides a comprehensive regional use management plan to reduce conflict and promote cooperative public recreation, commercial activity, and habitat protection benefits.
- (b) Unless the entity has been identified as a disadvantaged community, an entity that receives an award under this chapter shall be required to provide a match of 20 percent.
- (c) To maximize cooperation and leverage resources, the Natural Resources Agency may give priority to projects that include partnerships among federal, state, and local agencies and to projects proposed by nonprofit organizations, including, but not limited to, nonprofit land trusts.
- 80101. To the maximum extent feasible, the Natural Resources Agency is encouraged, when developing guidelines for grants awarded under this chapter, to utilize existing programs where communities enter into partnerships with state agencies for multibenefit projects to enhance and restore waterways, including, but not limited to, the Riverine Stewardship Technical Assistance program.

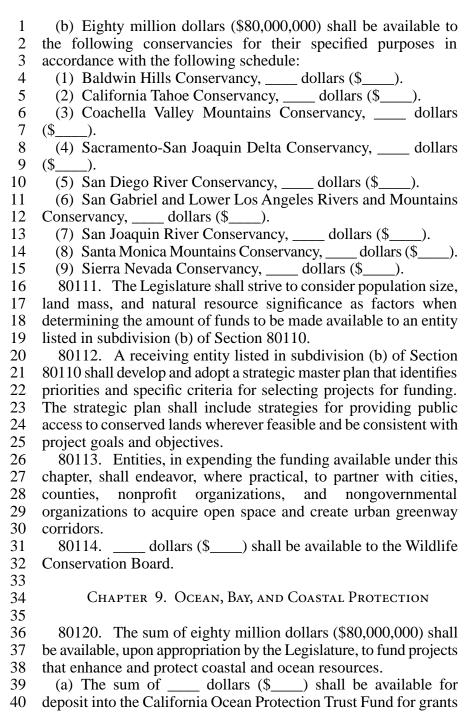
#### Chapter 8. State Conservancy and Authority Funding

80110. The sum of one hundred twenty million dollars (\$120,000,000) shall be available, upon appropriation by the Legislature, as described in subdivisions (a) and (b).

(a) The sum of forty million dollars (\$40,000,000) shall be available to the Salton Sea Authority for capital outlay projects that provide air quality and habitat benefits and that implement the Natural Resources Agency's Salton Sea Management Program. Of this amount, not less than ten million dollars (\$10,000,000) shall be available for purposes consistent with the New River Water Ouality, Public Health, and River Parkway Development Program,

as described in Section 71103.6.

—19 — SB 5



 $SB 5 \qquad \qquad -20-$ 

consistent with Section 35650. Priority shall be given to projects that conserve, protect, and restore marine wildlife and healthy ocean and coastal ecosystems with a focus on the state's system of marine protected areas and sustainable fisheries.

- (b) The sum of \_\_\_\_\_ dollars (\$\_\_\_\_) shall be available to the State Coastal Conservancy for the protection of beaches, bays, wetlands, and coastal watershed resources, including the protection of coastal agricultural resources pursuant to Section 31150 and projects to complete the California Coastal Trail pursuant to Section 31408.
- (c) Twenty-five percent of the amount available pursuant to this section shall be available to the San Francisco Bay Area Conservancy Program (Chapter 4.5 (commencing with Section 31160) of Division 21).
- 80121. In implementing Section 80120, the administering entity may give special consideration to the acquisition of lands that are in deferred certification areas of county local coastal plans.

Chapter 10. Climate Preparedness, Habitat Resiliency, Resource Enhancement, and Innovation

80130. The sum of four hundred million dollars (\$400,000,000) shall be available, upon appropriation by the Legislature, as competitive grants for projects that plan, develop, and implement climate adaptation and resiliency projects. Eligible projects shall improve a community's ability to adapt to the unavoidable impacts of climate change, improve and protect coastal and rural economies, agricultural viability, wildlife corridors, or habitat, develop future recreational opportunities, or enhance drought tolerance, landscape resilience, and water retention. An eligible project shall do at least one of the following:

- (a) Acquire, develop, rehabilitate, restore, protect, and expand wildlife corridors and open space, including projects to improve connectivity and reduce barriers between habitat areas.
- (b) Acquire, develop, rehabilitate, restore, protect, and expand habitat that promotes the recovery of threatened and endangered species.
  - (c) Improve climate adaptation and resilience of natural systems.

\_\_21\_\_ SB 5

(d) Protect and improve existing open-space corridors and trail linkages related to utility or transportation infrastructure that provide habitat connectivity and public access or trails.

- (e) Protect and restore rivers, streams, wetlands, and meadows in support of fisheries and wildlife, including, but not limited to, reconnecting rivers with their flood plains, and riparian and side-channel habitat restoration, and restore and protect upper watershed forests and meadow systems that are important for fish and wildlife resources and that are consistent with the purposes of subdivision (f) of Section 79738 of the Water Code. Priority shall be given to projects supported by a multistakeholder partnership using a science-based approach with measurable objectives to guide identification, design, and implementation of regional actions to benefit salmon and steelhead.
- (f) Acquire, develop, rehabilitate, restore, protect, and expand habitat that furthers the implementation of natural community conservation plans adopted pursuant to the Natural Community Conservation Planning Act (Chapter 10 (commencing with Section 2800) of Division 3 of the Fish and Game Code), and help resolve resource conflicts by balancing communitywide conservation, planning, and economic activities. A party that receives funding pursuant to this subdivision shall not use those moneys to offset mitigation obligations otherwise required.
- (g) Operate wildlife rehabilitation facilities by a nongovernmental entity.
- (h) Acquire, develop, rehabilitate, restore, protect, and expand wildlife corridors and open space to improve connectivity and reduce barriers between habitat areas and protect and restore habitat associated with the Pacific Flyway.
- (i) Assist coastal communities, including those reliant on commercial fisheries, with adaptation to climate change, including projects that address ocean acidification, sea level rise, or the protection of habitat associated with the Pacific Flyway with dedicated funding for the California Waterfowl Habitat Program.
- (j) Improve agricultural and open-space soil health and improve carbon soil sequestration, erosion control, water quality, and water retention, which may in part be allocated to the Department of Conservation for watershed restoration and conservation projects on agricultural lands pursuant to Section 9084.

 $SB 5 \qquad \qquad -22 -$ 

(k) Reduce fire risk, defend the wildland urban interface, improve forest health, and provide feedstock for compost, energy, or alternative fuels facilities. Projects may include, but are not limited to, forest restoration projects that include hazardous fuel reduction, postfire watershed rehabilitation, acquisition of forest conservation easements or fee interests, and forest management practices that promote forest resilience to wildfire, climate change, and other disturbances. Geographic balance shall be achieved with the moneys allocated pursuant to this subdivision.

- (*l*) Be a project of the California Conservation Corps, a certified community conservation corps, as defined in Section 14507.5, or other nonprofit entity that provides job training and education opportunities for veterans, foster care recipients, farmworkers, or local youth, to rehabilitate or improve parks and restore watersheds, including regional and community fuel load reduction projects on public lands, and stream and river restoration projects.
- (m) Protect and preserve the working character of lands, including uninterrupted agricultural and rangeland practices, through conservation easements or other conservation actions pursuant to the California Farmland Conservancy Program.
- (n) Be an urban forestry program in accordance with Section 4799.12.
- (o) Be identified by local agencies, nonprofit organizations, nongovernmental land conservation organizations, federally recognized Native American tribes, or nonfederally recognized California Native American tribes listed on the California Tribal Consultation list maintained by the Native American Heritage Commission, to do one of the following:
- (1) Restore, protect, and acquire Native American, natural, cultural, and historic resources within the state.
- (2) Convert and repurpose properties or parts of properties formerly operating as fossil fuel powerplants on the effective date of this division to create permanently protected open space, tourism, and park opportunities through fee title or conservation easements.
- (3) Create, rehabilitate, and expand urban gardens and community farms for carbon sequestration and increased food security.
- 39 (4) Enhance park, water, and natural resource values through 40 improved recreation, tourism, and natural resource investments in

-23- SB 5

those areas of the state not within the jurisdiction of a state conservancy.

- (5) Enhance visitor experiences through development, expansion, and improvement of science centers operated by foundations or other nonprofit organizations in heavily urbanized communities.
  - (6) Promote, develop, and improve any of the following:
  - (A) Community, civic, or athletic venues.
- (B) Cultural or visitor centers that recognize the contributions of California's ethnic communities or celebrate the unique traditions of these communities, including those of Asian and Hispanic descent.
- (C) Visitor centers that educate the public about natural landscapes, aquatic species, or wildlife migratory patterns.
- (p) Construct, repair, modify, or remove transportation or water resources infrastructure to improve wildlife or fish passage.
- 80131. In implementing Section 80130, special consideration may be given to the acquisition of lands that are in deferred certification areas of county local coastal plans.
- 80132. \_\_\_\_ dollars (\$\_\_\_\_) shall be available to the Wildlife Conservation Board.

### Chapter 11. Clean Drinking Water and Drought Preparedness

- 80140. The sum of one billion dollars (\$1,000,000,000) shall be available, upon appropriation by the Legislature, as follows:
- (a) Two hundred fifty million dollars (\$250,000,000) shall be available, upon appropriation by the Legislature, for the purposes described in Chapter 5 (commencing with Section 79720) of Division 26.7 of the Water Code.
- (b) Two hundred fifty million dollars (\$250,000,000) shall be available upon appropriation, by the Legislature, for the purposes described in Chapter 7 (commencing with Section 79740) of Division 26.7 of the Water Code.
- (c) Two hundred fifty million dollars (\$250,000,000) shall be available, upon appropriation by the Legislature, for the purposes described in Chapter 9 (commencing with Section 79765) of Division 26.7 of the Water Code.

 $SB 5 \qquad -24-$ 

(d) Two hundred fifty million dollars (\$250,000,000) shall be available, upon appropriation by the Legislature, for the purposes described in Chapter 10 (commencing with Section 79770) of Division 26.7 of the Water Code.

#### CHAPTER 11.5. FLOOD PROTECTION AND REPAIR

- 80145. (a) The sum of five hundred million dollars (\$500,000,000) shall be available, upon appropriation by the Legislature, for flood protection and repair as follows:
- (1) Three hundred million dollars (\$300,000,000) shall be available for flood protection facilities, levee improvements, and related investments that protect persons and property from flood damage. Moneys provided under this paragraph shall be matched by local and regional flood protection agencies.
- (2) One hundred million dollars (\$100,000,000) shall be available for levee repairs and restoration within the Sacramento-San Joaquin Delta.
- (3) One hundred million dollars (\$100,000,000) shall be available for the purposes of stormwater, mudslide, and other flash-flood-related protections.
- (b) Where feasible, first priority shall be given to investments in projects that provide multiple benefits consisting of flood protection, water quality, recreation, and habitat protection and restoration and other fish and wildlife benefits.
- (c) Funds provided by this chapter shall not be expended to pay the costs of the design, construction, operation, mitigation, or maintenance of Delta conveyance facilities. Those costs shall be the responsibility of the water agencies that benefit from the design, construction, operation, mitigation, or maintenance of those facilities.

### Chapter 12. Advance Payment for Water Projects

 80150. (a) Within 90 days of notice that a grant under this division for projects included and implemented in an integrated regional water management plan has been awarded, the regional water management group shall provide the administering agency with a list of projects to be funded with the grant funds where the project proponent is a nonprofit organization or a disadvantaged

\_\_25\_\_ SB 5

1 community, or the project benefits a disadvantaged community.
2 The list shall specify how the projects are consistent with the
3 adopted integrated regional water management plan and shall
4 include all of the following information:

- (1) Descriptive information concerning each project identified.
- (2) The names of the entities that will receive the funding for each project, including, but not limited to, an identification as to whether the project proponent or proponents are nonprofit organizations or a disadvantaged community.
  - (3) The budget of each project.

- (4) The anticipated schedule for each project.
- (b) Within 60 days of receiving the project information pursuant to subdivision (a), the administering agency shall provide advance payment of 50 percent of the grant award for those projects that satisfy both of the following criteria:
- (1) The project proponent is a nonprofit organization or a disadvantaged community, or the project benefits a disadvantaged community.
- (2) The grant award for the project is less than one million dollars (\$1,000,000).
- (c) Funds advanced pursuant to subdivision (b) shall comply with the following requirements:
- (1) The recipient shall place the funds in a noninterest-bearing account until expended.
- (2) The funds shall be spent within six months of the date of receipt, unless the administering agency waives this requirement.
- (3) The recipient shall, on a quarterly basis, provide an accountability report to the administering agency regarding the expenditure and use of any advance grant funds that provides, at a minimum, the following information:
- (A) An itemization as to how advance payment funds provided under this section have been expended.
- (B) A project itemization as to how any remaining advance payment funds provided under this section will be expended over the period specified in paragraph (2).
- (C) A description of whether the funds are placed in a noninterest-bearing account, and if so, the date that occurred and the dates of withdrawals of funds from that account, if applicable.
- (4) If funds are not expended, the unused portion of the grant shall be returned to the administering agency within 60 days after

 $SB 5 \qquad -26-$ 

project completion or the end of the grant performance period, whichever is earlier.

(5) The administering agency may adopt additional requirements for the recipient regarding the use of the advance payment to ensure that the funds are used properly.

#### CHAPTER 13. FISCAL PROVISIONS

- 80160. (a) Bonds in the total amount of three billion dollars (\$3,000,000,000), not including the amount of any refunding bonds issued in accordance with Section 80172, may be issued and sold to provide a fund to be used for carrying out the purposes expressed in this division and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. The bonds, when sold, *issued*, *and delivered*, shall be and constitute a valid and binding obligation of the State of California, and the full faith and credit of the State of California is hereby pledged for the punctual payment of both the principal of, and interest on, the bonds as the principal and interest become due and payable.
- (b) The Treasurer shall sell the bonds authorized by the committee pursuant to this section. The bonds shall be sold upon the terms and conditions specified in a resolution to be adopted by the committee pursuant to Section 16731 of the Government Code.
- 80161. The bonds authorized by this division shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), and all of the provisions of that law apply to the bonds and to this division. division, except subdivisions (a) and (b) of Section 16727 of the Government Code.
- 80162. (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), of the bonds authorized by this division, the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Finance Committee is hereby created. For purposes of this division, the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor

\_\_ 27 \_\_ SB 5

Access For All Finance Committee is the "committee" as that term is used in the State General Obligation Bond Law.

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- (b) The committee consists of the Director of Finance, the Treasurer, and the Controller. Notwithstanding any other law, any member may designate a representative to act as that member in his or her place for all purposes, as though the member were personally present.
- (c) The Treasurer shall serve as the chairperson of the committee.
  - (d) A majority of the committee may act for the committee.
- 80163. The committee shall determine whether or not it is necessary or desirable to issue bonds authorized by this division in order to carry out the actions specified in this division and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and it is not necessary that all of the bonds authorized to be issued be sold at any one time.
- 80164. For purposes of the State General Obligation Bond Law, "board," as defined in Section 16722 of the Government Code, means the Secretary of the Natural Resources Agency.
- 80165. There shall be collected each year and in the same manner and at the same time as other state revenue is collected, in addition to the ordinary revenues of the state, a sum in an amount required to pay the principal of, and interest on, the bonds each year. It is the duty of all officers charged by law with any duty in regard to the collection of the revenue to do and perform each and every act that is necessary to collect that additional sum.
- 80166. Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this division, an amount that will equal the total of the following:
- (a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this division, as the principal and interest become due and payable.
- (b) The sum that is necessary to carry out the provisions of Section 80169, appropriated without regard to fiscal years.
- 80167. The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account in accordance with Section 16312 of the Government Code for the purpose of carrying out this division less any amount withdrawn

 $SB 5 \qquad -28-$ 

pursuant to Section 80169. The amount of the request shall not exceed the amount of the unsold bonds that the committee has, by resolution, authorized to be sold for the purpose of carrying out this—division. division, excluding refunding bonds authorized pursuant to Section 80172, less any amount withdrawn pursuant to this section and Section 80169. The board shall execute those documents required by the Pooled Money Investment Board to obtain and repay the loan. Any amounts loaned shall be deposited in the fund to be allocated in accordance with this division.

80168. Notwithstanding any other provision of this division, or of the State General Obligation Bond Law, if the Treasurer sells bonds that include a bond counsel opinion to the effect that the interest on the bonds is excluded from gross income for federal tax purposes under designated conditions or is otherwise entitled to any federal tax advantage, the Treasurer may maintain separate accounts for the bond proceeds invested and for the investment earnings on those proceeds, and may use or direct the use of those proceeds or earnings to pay any rebate, penalty, or other payment required under federal law or take any other action with respect to the investment and use of those bond proceeds, as may be required or desirable under federal law in order to maintain the tax-exempt status of those bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

80169. For the purposes of carrying out this division, the Director of Finance may authorize the withdrawal from the General Fund of an amount or amounts not to exceed the amount of the unsold bonds that have been authorized by the committee to be sold for the purpose of carrying out this division division, excluding refunding bonds authorized pursuant to Section 80172, less any amount borrowed pursuant to Section 80167. Any amounts withdrawn shall be deposited in the fund. fund to be allocated in accordance with this division. Any moneys made available under this section shall be returned to the General Fund, with interest at the rate earned by the moneys in the Pooled Money Investment Account, from proceeds received from the sale of bonds for the purpose of carrying out this division.

80170. All moneys deposited in the fund that are derived from premium and accrued interest on bonds sold pursuant to this division shall be reserved in the fund and shall be available for transfer to the General Fund as a credit to expenditures for bond

\_\_ 29 \_\_ SB 5

interest, except that amounts derived from premiums may be reserved and used to pay the cost of bond issuance prior to any transfer to the General Fund.

80171. Pursuant to Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code, the cost of bond issuance shall be paid *or reimbursed* out of the bond proceeds, including premiums, if any. To the extent the cost of bond issuance is not paid from premiums received from the sale of bonds, these costs shall be shared proportionately by allocated proportionally to each program funded through this division by the applicable bond sale.

80172. The bonds issued and sold pursuant to this division may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code, which is a part of the State General Obligation Bond Law. Approval by the voters of the state for the issuance of the bonds under this division shall include approval of the issuance of any bonds issued to refund any bonds originally issued under this division or any previously issued refunding bonds. Any bond refunded with the proceeds of a refunding bond as authorized by this section may be legally defeased to the extent permitted by law in the manner and to the extent set forth in the resolution, as amended from time to time, authorizing that refunded bond.

80173. The proceeds from the sale of bonds authorized by this division are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

- SEC. 2. Section 1 of this act shall take effect upon the approval by the voters of the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, as set forth in Section 1 of this act.
- SEC. 3. Section 1 of this act shall be submitted to the voters at the June 5, 2018, statewide primary direct election in accordance with provisions of the Government Code and the Elections Code governing the submission of a statewide measure to the voters.
- SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

**SB 5 —30 —** 

- In order to fund a California drought, water, parks, climate, coastal protection, and outdoor access for all program at the earliest possible date, it is necessary that this act take effect immediately. 1